

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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LB 151, 877

877.

SPEAKER WITHEM: LB 877 advances. I have a note up here that Senator Chris Peterson had asked to have LB 756 passed over. Senator Kristensen confirms that. LB 151, Mr. Clerk.

CLERK: Mr. President, (LB) 151, a bill introduced originally by Senator Landis. (Read title.) The bill was introduced on January 10, referred to the Judiciary Committee, the bill was advanced to General File, Mr. President.

SPEAKER WITHEM: Senator Landis, to open.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature. There'll be two parts to this, the bill itself and then some amendments that have been drawn for the purpose of mitigating some of the effects that former opponents found in the bill. This is the continuation of the constitutional amendment which was adopted last year, empowering the Legislature to act in the area of alternative dispute resolution. That vote was about 65-35 by the public. The bill itself is supported by the AFL-CIO, the State Chamber of Commerce, NSEA, the Nebraska Bankers Association, and the real estate industry, generally. Arbitration is the mechanism in which parties to a contract agree in the contract that they will dispute their differences about the contract by the use of an arbitrator rather than litigation. We have already passed in 1987 the Uniform Arbitration Act, and a section of that was struck down by our Supreme Court. This bill will basically reinsert those provisions, and having passed the constitutional amendment it should pass constitutional muster. The bill itself identifies three areas in which arbitration may not be used; first, personal injury accidents that arising from torts, secondly, as an insurance policy provision between the company and the policy holder, and, third, in employment contracts for such things as EEOC and the like. I will be offering amendments as well that further define the rules in which arbitration can be used. But that's the basic elements of the bill. What it authorizes is that it allows parties to make a contract, put in the contract an arbitration agreement, and that that arbitration agreement is then used for the purpose of handling disputes that arise from the contract itself. It is available in 48 other